for setting up IID Centre have been received from the Government of Tamil Nadu.

(d) Does not arise..

Comparative study of Khadi and Village Industries

2337. PROF. M. SANKARALINGAM: Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether Government have carried out a detailed comparative study of the Khadi and Village Industries;

(b) if so, the details thereof, State-wise;

(c) the details of the persons engaged in Khadi and Village Industries in each State; and

(d) what are their earnings per day, State-wise?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI KARIYA MUNDA): (a) Yes, Sir. The Planning Commission, through its Programme Evaluation Organisation (PEO) has conducted an evaluation of Khadi and Village Industries. The report was published in March, 2001. The PEO undertook the evaluation of the performance, suitability and effectiveness of the implementation mechanism and impact of the KVI programmes.

(b) A brief note on the salient features of this evaluation report is enclosed herewith Statement-I (*See* below).

(c) and (d) State-wise details of persons engaged in KVI sector during 2000-01, is given at Statement-II. (*See* below) Most Khadi workers are employed part time and that too for a few days in a year. Their average daily earnings based on quantity produced varies from Rs. 22/- to Rs. 32/-. The report on the evaluation study of Khadi and Village Industries programme conducted by the Programme Evaluation Organisation (PEO), Planning Commission, indicated that in case of village industries, units, a full time employed worker earns Rs. 4323/- per annum.

At present village industries programme is implemented through the Rural Employment Generation Programme based on bankable projects. The wage content of each project may vary from industry to industry and also State to State. As such, such details are not maintained centrally.

Statement-I

Evaluation study of KVIC by Programme Evaluation Organisation (PEO) of the Planning Commission

- At the instance of the KVIC and the Planning Commission, PEO undertook the evaluation of the performance, suitability and effectiveness of the implementation mechanism and impact of the KVI programmes.
- The major constraints for the implementation of the projects:
  - Non-availability of funds in time.
  - Procedural delays.
  - Inability of the units to furnish security.
  - Misutilisation of funds.
- As the technical guidance to the units had not been provided, this resulted in closure and inoptimal functioning of the institutions/ units, high dropouts amongst the entrants, thus resulted low employment growth and insufficient use of public resources.
- Inadequate linkage between production and marketing.
- Passive marketing strategy resulting in accumulation of stocks, untimely payment to the institutions/units whose rebate and investment get locked for years, thus adversely affecting the economics of production.
- Failure of planning and implementation of the programme, inability to maintain inventory of stocks units, inadequate raw material supply to such units.
- Poor data base with the KVIC. The information generated so far is a routine feed back from units without much verification for their accuracy, nor the available information is used for problem solving.
- The entire MIS of the KVIC needs overhauling, Planning and implementation are to be pointed towards meeting primary objectives of the scheme.

- Financial performance:

  Budgetary support of the Centre constituted more than 80% of the resources of the KVIC till the implementation of the Margin Money Scheme (MMS). This came down to 30% within last two years of the 8th Plan *i.e.* 1995—1997. With the introduction of Rural Employment Generation Programme (REGP), the Khadi sector continue to receive a larger part of the divisible pool budgetary sources. This bias in the allocation in favour of Khadi sector does not commensurate with its performance in terms of the employment generation and out put. The wide divergence of 'proposals' and 'actual allocation' and multiple revision of proposals point to the weekness in the budget formation process of the KVIC. The budget process should be more realistic and meaningful.

- The financial resources of the State KVIBs which implement about 90% of the VI programme comes from the KVIC, State Government, Banks, etc.

- Actual resources and utilisation rate of available resources were extremely low (10% in some States) in both Khadi and VI sector.

- The KVIC is unable to meet its employment generation of 20 lakh additional jobs in the 8th Plan.

- It created 8.01 lakh additional employment in Khadi (0.5) and VI (7.42) both part-time and full time. The full time employment in 1996-97 have earned Rs. 4835 in Khadi Sector and Rs. 4323 in V.I. sector.

- While employment growth in Khadi sector was negligible in 8th Plan, in V.I. sector it grew @ 4.14% per annum.

- About 95% of additional employment generated during 8th Plan was in the V.I. sector.

- In Khadi sector, the physical out-put of cloth remain more or less constant and so did the labour productivity. The additional budgetary resources (grant and rebate) allocated to the Khadi sector seem to be getting absorbed year after without any corresponding increase in employment, out-put in sales realization.

- A comprehensive evaluation of KVI training institutions be conducted and necessary steps be taken to revamp and reorient the training methods so that training helps contribute to labour productivity and development of khadi and village industries.
- On the basis of sample survey of 494 households (workers) originally belonging to the families below the poverty line, about 71% have actually cross the poverty line with the help of additional income from KVIC programme. The performance of the VI sector far outways that of the Khadi sector.
- Suggestions:
  - Khadi and VI programmes holds great potential for generating the gainful employment opportunities for the rural poor arresting migration of rural unskilled workers to urban areas and promoting the strategy of sustainable development. Potential cannot be realized without changing the design and implementation of the programme.
  - One of the import aspect that merits attention at the highest decision making level is to examine the need for having two implementing agencies *viz.* Khadi Commission and Village Industries Commission. The Khadi Commission in the Ministry of Textiles and the V.I. Commission under the Ministry of SSI&ARI.
  - The main advantage will be subsidy on mill made yarn supplied to the Handloom sector eliminated by yarn requirement from the Khadi sector.
- Through overhauling of the marketing strategy for khadi products one way would be to leave entire marketing product development to the private sector while some processed goods be produced by the KVIC units/ institutions under the guidance of the KVIC.
- The primary task of the Khadi Commission would be to closely monitor flow of inputs and outputs and the Commission should be made accountable to inputs and output relationship.
- The reorientation of the organizational structure of the proposed Khadi Commission. In the new scenario, no rebate on sale is

necessary and the nits may be run purely on the bank finance only.

Need to constitute a Committee to examine the proposed model and to suggest suitable measures for restructuring of the KVIC and its various activities.

Statement-II

State-wise employment under KVI Programme during 2000-2001

Sl. No.	States/Union Territories	Employment (In lakh persons)
1.	Andhra Pradesh	3.47
2.	Arunachal Pradesh	0.00
3.	Assam	1.15
4.	Bihar	2.84
5.	Goa	0.09
6.	Gujarat	0.95
7.	Haryana	0.86
8.	Himachal Pradesh	0.90
9.	Jammu & Kashmir	1.13
10.	Karnataka	2.12
11.	Kerala	2.05
12.	Madhya Pradesh	1.69
13.	Maharashtra	5.23
14.	Manipur	0.57
15.	Meghalaya	0.21
16.	Mizoram	0.17
17.	Nagaland	0.23
18.	Orissa	1.85
19.	Punjab	1.57
20.	Rajasthan	4.55
21.	Sikkim	0.05
22.	Tamil Nadu	11.20
23.	Tripura	0.27

Sl. No.	States/Union Territories	Employment (In lakh persons)
24.	Uttar Pradesh	11.80
25.	West Bengal	4.42
26.	Chhattisgarh	0.03
27.	Jharkhand	0.06
28.	Uttaranchal	0.02
29.	A&N	0.13
30.	Chandigarh	0.13
31.	Dadra Nagar Haveli	0.00
32.	Daman & Diu	0.00
33.	Delhi	0.24
34.	Lakshdweep	0.01
35.	Pondicherry	0.08
	TOTAL:	60.07

Assistance to Plasma Institute, Gandhinagar

†2338. SHRIMATI SAVITA SHARDA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Government are considering to provide more economic assistance to Gandhinagar based Plasma Institute;

(b) if so, whether Government have taken any decision in this regard so far; and

(c) if so, the details thereof and if not, by when a decision is likely to be taken?

THE MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY (SHRIMATI VASUNDHARA RAJE): (a) to (c) The Institute for Plasma Research, Gandhinagar is a fully aided institution of the Department of Atomic Energy and therefore, they will be continued to be granted financial assistance for their programmes under Plan and Non-Plan expenditure.

†Original notice of the question was received in Hindi.